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Akin Reaffirms his Opposition to Wall Street Bailout

Calls for Congress to find responsible solution before adjourning for elections

Washington, DC – Congressman Todd Akin (R-MO), today reaffirmed his opposition to the proposed \$700 Billion bail out. Akin remains committed to stabilizing the markets without having taxpayers purchase bad debt. Congressman Akin has cosponsored an alternative plan, HR 7223 to reform the financial market, and believes that Congress must commit to working out a realistic solution prior to adjournment for elections.

In today's statement, Akin said:

"I remain skeptical of the heart of this proposal, which is spending \$700 Billion taxpayer's dollars to purchase toxic debt from Wall Street. The proposed bill is less than adequate in that it includes no reform of the laws and rules which were responsible for creating the present problems. Even if a taxpayer purchase of these troubled assets was the only solution, certainly the bill should prohibit the practices which created the problem in the first place.

"Some leading economic experts are increasingly concerned that this proposal is not the right fix for what we are facing. It is inconceivable that not one hearing has been allowed to consider any alternatives to this hastily proposed bill, which hands over a historically massive sum of money to Secretary Paulson who was at the helm of this economic disaster.

"It is undeniable that Federal action is necessary. I have co-sponsored HR 7223, a new proposal to reform the financial market regulatory system and empower private investors to capitalize economic recovery. I believe this plan represents a 'work-out' rather than a bailout – leveraging limited tax dollars to encourage private investment and stabilizing our markets.

"Federal action can shore up our markets without exposing taxpayers to unnecessary risk. A

responsible alternative could utilize private capital to support our markets. It could allow strong financial institutions to purchase federal insurance that would mitigate their risk in assuming the risky loans made by failing banks. Reform of Mark to Market could also help loosen credit.

"Over the past week and a half, I have watched Secretary Paulson and the White House induce a nationwide panic over the impending failure of several of our nation's largest financial institutions. They were joined by special interests in demanding that Congress act immediately to buy up bad investments with taxpayer dollars with no guarantee of success.

"Action is needed to stave off further crises in our financial markets, but doing something is no substitute for doing the right thing. Over the past few weeks, I have had the opportunity to examine the current crisis, and to ask tough questions of Secretary Paulson and industry leaders.

"Congress must commit to working out a realistic solution prior to adjournment for the elections. I believe HR 7223 represents a measured solution to the problems in our financial markets. It will encourage private investment, reform government institutions and require corporate accountability. I look forward to constructive debate over a responsible proposal."